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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

20 **Daimler AG**, a German corporation,
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22 Plaintiff,
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24 v.
25 **A-Z Wheels LLC, et al.**,
26
27 Defendants.
28

Case No. 3:16-cv-00875-JLS-MDD

**SEPARATE STATEMENT OF
UNDISPUTED MATERIAL
FACTS IN SUPPORT OF
PLAINTIFF DAIMLER AG'S
MOTION FOR PARTIAL
SUMMARY JUDGMENT**

Date: April 26, 2018
Time: 1:30pm
Judge: Hon. Janis L. Sammartino
Crtrm: 4D

I. INTRODUCTION

Pursuant to Rule 56 of the Federal Rules of Civil Procedure and Local Rule 7.1.f.1, Plaintiff Daimler AG (“Daimler”) hereby submits the following Separate Statement of Undisputed Material Facts. These undisputed material facts establish that Plaintiff is entitled to summary judgment as to its claims of trademark infringement and counterfeiting with respect to federally registered trademarks U.S. Reg. No. 657,386, U.S. Reg. No. 3,614,891, and U.S. Reg. No. 4,423,458, (collectively “the DAIMLER Marks”) (portion of Count I of First Amended Complaint (“FAC”)), and infringement of U.S. Design Patent No. D542,211 (“the ‘D211 Patent’”) (portion of Count IV of FAC), against Defendants A-Z WHEELS LLC d/b/a USARIM, USARIM.COM, and EUROTECH WHEELS, GALAXY WHEELS & TIRES, LLC, and INFOBAHN INTERNATIONAL, INC. d/b/a INFOBAHN, EUROTECH, EUROTECH LUXURY WHEELS, EUROTECH WHEELS and USARIM (collectively “the Entity Defendants”), and Rasool Moalemi (collectively the Entity Defendants and Rasool Moalemi are referred to herein as “Defendants”).


As explained below, there are no disputed issues of material fact with respect to Defendants’ unauthorized advertisement, offer for sale, and/or sale of various wheels using the DAIMLER Marks. Such use constitutes federal trademark


infringement and/or counterfeiting under Lanham Act Section 32, 15 U.S.C. § 1114(1), and Daimler is entitled to a judgment of infringement as a matter of law.

Additionally, there are no disputed issues of material fact with respect to Defendants' offers for sale and sales of various wheels having overall appearances that are substantially the same as the overall appearances of the designs of the 'D211 Patent. As further explained below, such offers for sale and sales constitute infringement of the 'D211 Patent, and Daimler is entitled to judgment as a matter of law. Moreover, a determination at this stage in the case on the claims of trademark infringement and/or counterfeiting with respect to the DAIMLER Marks, and on the claim of patent infringement with respect to the 'D211 Patent, will significantly advance resolution of this case in a timely and orderly manner.

II. STATEMENT OF UNDISPUTED MATERIAL FACTS

1. Daimler owns all rights, title and interest in the DAIMLER Marks in Class 12, which are shown below:

| Mark | U.S. Reg. No. |
|---|---------------|
| MERCEDES-BENZ | 657,386 |
|  | 4,423,458 |

| Mark | U.S. Reg. No. |
|---|---------------|
|  | 3,614,891 |


(See FAC Exs. 1, 4, 5, ECF No. 33.)

2. U.S. Reg. No. 657,386 (“MERCEDES-BENZ mark”) was first used in 1926, and was federally registered in 1956. (See FAC Exs. 1a–1d.) Daimler’s MERCEDES BENZ Mark has become incontestable. (*Id.*)

3. U.S. Reg. No. 3,614,891 has been federally registered since 2009 and claims a priority date of November 19, 2007. (See *id.* Ex. 4.)

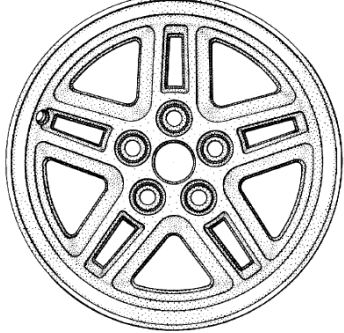
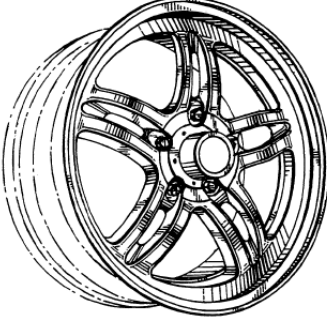
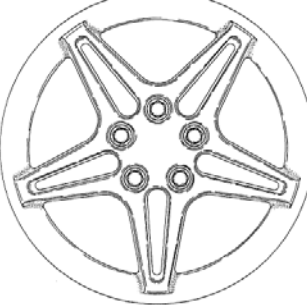
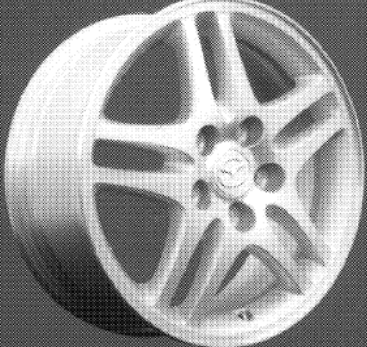
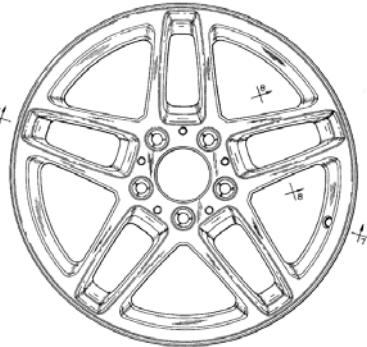
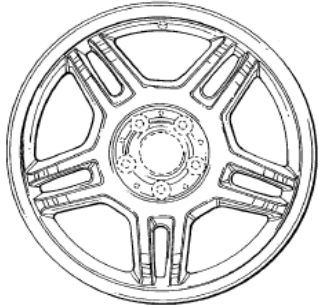
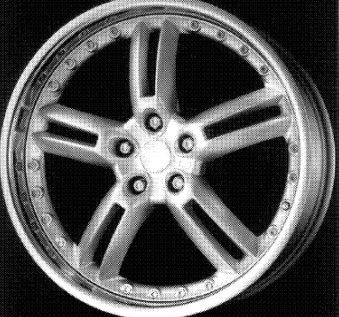


4. U.S. Reg. No. 4,423,458 has been federally registered since 2013 and claims a priority date of June 2, 2010. (See *id.* Ex. 5.)

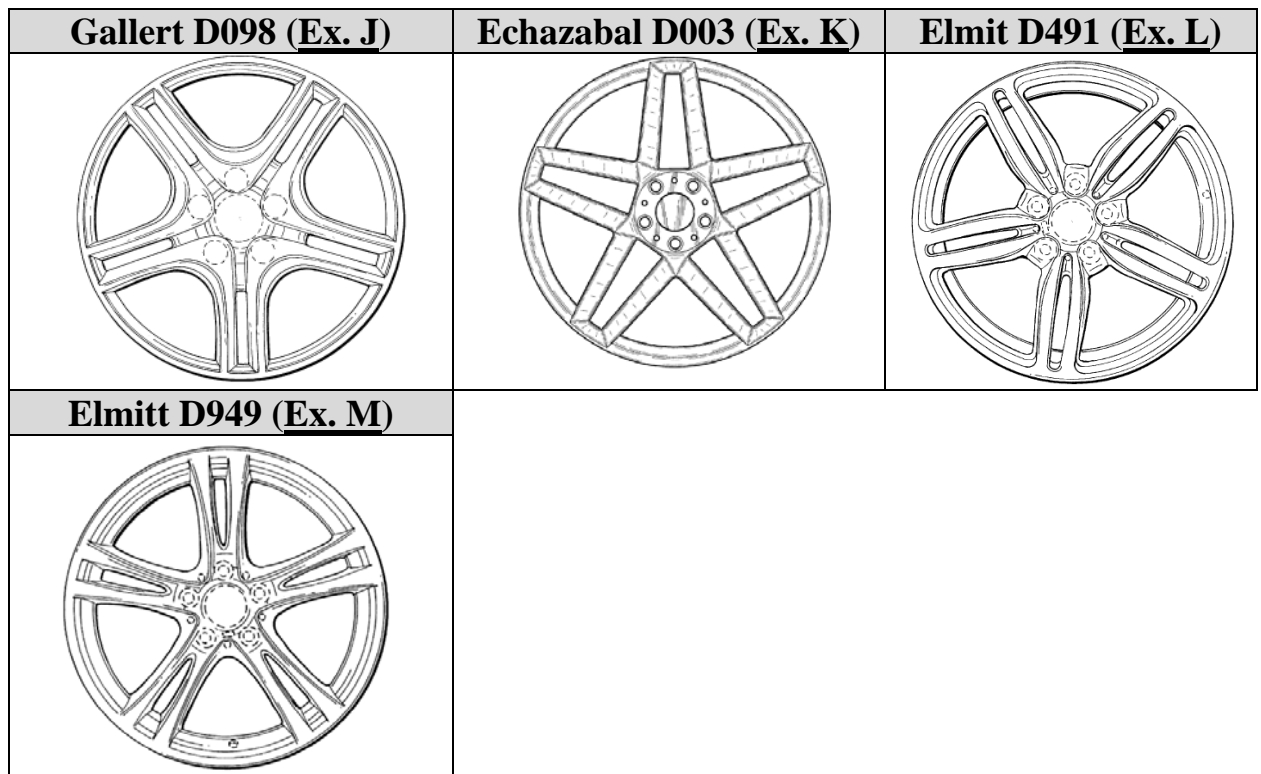
5. Daimler also owns all rights, title and interest in the ‘D211 Patent, which is shown below:

| Representative View of Claimed Design | U.S. Design Patent No. and Issue Date |
|---|---------------------------------------|
|  | D542,211 (“the ‘D211 Patent’”) |

(See *id.* Ex. 22.)

6. During prosecution of the 'D211 Patent, the U.S. Patent Examiner reviewed a number of prior art references, listed on the face of the 'D211 Patent and as shown in the table below. (*See id.*) The prior art designs vary considerably as shown in the table below.

| Wright D564 (<u>Ex. A</u>) | Weld D547 (<u>Ex. B</u>) | Hussaini D618 (<u>Ex. C</u>) |
|---|--|---|
|  |  |  |
| Yoshida D846 (<u>Ex. D</u>) | Kohl D876 (<u>Ex. E</u>) | Hieke D689 (<u>Ex. F</u>) |
|  |  |  |
| Maifrini D853 (<u>Ex. G</u>) | Maifrini D663 (<u>Ex. H</u>) | Pollmann D770 (<u>Ex. I</u>) |
|  |  |  |



7. Defendants have not asserted any additional prior art beyond the prosecution history with respect to the validity or claim scope of the ‘D211 patent. (See Ex. N, Moalemi Defs.’ Resp. to Pl.’s First Set Interrogs. No. 15; Ex. O, Moalemi Defs.’ Resp. to Pl.’s First Set Req. Produc. Nos. 12, 13, 25.)

8. Daimler initiated a related proceeding against the Entity Defendants in the United States International Trade Commission (USITC), Investigation No. 337-TA-1006 (“ITC Proceeding”), which has since been terminated. (See Ex. P, Order No. 24, *Certain Passenger Vehicle Automotive Wheels*, Inv. No. 336-TA-1006.)

1 9. On November 28, 2016, Defendant Rasool (“Russ”) Moalemi gave a
 2 deposition in the ITC Proceeding as a representative of all of the Entity Defendants
 3
 4 (See Ex. Q, Moalemi Dep. 86:5-7, Nov. 28, 2016.)

5 **Entity Defendants**

6 10. Russ Moalemi has operated, and continues to operate businesses that
 7
 8 sell automotive wheels in California using the name UsaRim, the website
 9 usarim.com (“USARIM website”) and/or the website oemwheelplus.com. Such
 10 businesses include each of the Entity Defendants. (See *id.* 18:9–19, 21:14–22:13,
 11 22:16–25, 24:20–26:15, 46:2–24, 47:13–17, 55:11–12, 56:11–58:11, 63:10–64:25,
 12 86: 5–7, Exs. 1-1, 2-1, 7-1, 8-1.)

14 11. Infobahn International, Inc. (“Infobahn”) registered “usarim” as a
 15
 16 fictitious business name in San Diego County, California. (See *id.* Ex. 9.) Other
 17 fictitious business names registered for Infobahn International, Inc. include
 18 Eurotech, Eurotech Wheels, and Eurotech Luxury Wheels. (See *id.*)

19 12. Although Infobahn was dissolved in 2012 (See *id.* Ex. 6A-1), the
 20
 21 domain name for the USARIM website was registered on behalf of “Eurotech”
 22
 23 starting in June, 2013. (See *id.* Ex. 11-1.)

24 13. The Entity Defendants conducted business interchangeably under one
 25
 26 another’s legal and fictitious names. (See *id.* 21:19–22:25.)

27 14. Corporate formalities were not observed between the Entity
 28
 Defendants, or between Russ Moalemi individually and any of the businesses

1 operating as USARIM, including the Entity Defendants. (*See id.* 64:6–65:2, 70:2–
2 25.)

3
4 15. As of April 11, 2016, automotive wheels with the following
5 manufacturer part numbers had been offered for sale on the webpages of
6 usarim.com: MBZ-570-17-CHR, MBZ-525-18-GMT, MBZ-525-22-CHR, MBZ-
7 540-18-GMT, MBZ-540-18-SLV, MBZ-610-20-MB, MBZ-610-20-CHR, MBZ-
8 610-20-GMT, MBZ-610-19-GMT-TIRES, MBZ-610-20-CHR-TIRES, MBZ-555-
9 20-GMT, MBZ-555-20-CHR-TIRES, MBZ-555-20-CHR, MBZ-554-18-GMT,
10 MBZ-522-20-GMT, and MBZ-553-19-GMT. (*See* FAC Exs. 29a–29p.)

11
12
13 16. Daimler’s investigator purchased 17-CHR Wheels and 19-GMT
14 Wheels through the USARIM website in July, 2015. (*See* FAC Exs. 31, 32.)
15 These purchased products were shipped from “Galaxy Wheels & Tire” at 8925
16 Carroll Way, San Diego, CA 92121. (*See id.* Ex. 30.)

17
18 17. As of November 28, 2016, the USARIM website was used by Russ
19 Moalemi as the “main artery” through which he sells passenger automotive vehicle
20 wheels. (Ex. Q, Moalemi Dep. 22:16–22, Nov. 28, 2016). Seventy percent (70%)
21 of Russ Moalemi’s business is conducted online through the USARIM website.
22 (*Id.* 75:21-76:6). Russ Moalemi received money from the wheels he sold through
23
24
25
26
27
28

1 the domain name USARIM website. (Ex. R, Defts' Resp. to Pl.'s Second Set Reqs.
2 Admis. to Rasool Moalemi No. 20.)¹

3
4 18. Russ Moalemi has continued the same business that has previously
5 operated under the names of the Entity Defendants, including using the names of
6 the Entity Defendants after their dissolution or cancellation. (*See* Ex. Q, Moalemi
7 Dep. 64:6–65:2, Nov. 28, 2016.)

8 **Other Business Names**

9
10 19. As of at least November 28, 2016, Russ Moalemi has operated a
11 business "ABC Wheels" under the fictitious names USARIM, Galaxy Wheels,
12 Galaxy Wheels & Tires, and Eurotech through the USARIM website. (*See id.*
13 76:20–77:5, 86:5-7, 102:23–103:3.)

14
15 20. ABC Wheels, Inc. is also registered in San Diego to transact business
16 under the name OEM Wheel Plus and Galaxy Wheels & Tires according to the
17 record provided online by the San Diego County Assessor/Recorder/County Clerk.
18 (*See* Ex. S, Fictitious Business Name Details, [https://arcc.
19 sdcounty.ca.gov/Pages/Fictitious.aspx?FBNNum=2016002757](https://arcc.sdcounty.ca.gov/Pages/Fictitious.aspx?FBNNum=2016002757) (Jul. 9, 2017).)

20 **eBay Sales**

21
22 21. Russ Moalemi conducts business as UsaRim through eBay.com
23 ("eBay website"), which accounts for about ten percent of his business. (*See* Ex. Q,
24
25
26

27 ¹Russ Moalemi failed to respond to the Second Set of Requests for Admission, and therefore this Request is deemed
28 admitted. Even if the untimely Response of the Moalemi Defendants' Responses, dated Dec. 29, 2017, were
considered, that Request is admitted by Defendants in their untimely response. (*Id.*)

1 Moalemi Dep. 76:20–77:5, Nov. 28, 2016; Ex. T, Moalemi 122:20 – 123:3, Nov.
2 16, 2017.)

3
4 22. For example, the following automotive wheels have been sold by the
5 seller “usarim” via the eBay website:

| 6 Manufacturer Part No. | 7 Quantity | 8 Transacted Completion date |
|--------------------------------|-------------------|---|
| 9 MBZ-610-20-CHR | 5 | Dec. 13, 2016 |
| 10 MBZ-610-18-CHR | 2 | Oct. 23, 2016 |
| 11 MBZ-610-18-CHR | 2 | Apr. 26, 2017 |
| 12 MBZ-610-20-GMT-TIRES | 4 | Feb. 21, 2017 |
| 13 MBZ-610-19-MB | 4 | May 17, 2017 |
| 14 MBZ-610-19-GMT | 2 | Sep. 21, 2016 |

15 23. (*See* Ex. T, Moalemi Dep. 119:13 - 124:21, 144:12–145:8, Exs. 35-37,
16 42, Nov. 16, 2017.)

17 24. Pictures of automotive wheels sold by the seller “usarim” through the
18 eBay website are shown on the corresponding auction webpages. (*See* Ex. U,
19 printouts from eBay website (“Usarim eBay Pages”).)

20 25. In one of those eBay auctions, a wheel with the item number
21 381745469700 was offered by usarim on with the part number MBZ-610-19-MB.
22 (Usarim eBay Pages, pp. 18-25.)

23 26. The seller “usarim” transacted sales via the eBay website under
24 auction listings that include the mark “Mercedes Benz.” (*See* Ex. T, Moalemi Dep.
25 144:12–145:8, Ex. 42, Nov. 16, 2017.)
26
27
28

27. Over 1,000 eBay auctions using the MERCEDES-BENZ mark in the auction title occurred under the seller login ID “usarim” between 2010 and 2017. (See Ex. T, Moalemi Dep. Ex. 42, Nov. 16, 2017.) The total revenue to the “usarim” seller from these auctions was \$255,321. (*See id.*)

28. In one of the eBay auctions, a wheel with the item number 350425165497 was sold by usarim on January 5, 2011 using the auction title “19 **Mercedes Benz C CL CLK E ML S SL R AMG wheels rims**”. (Ex. T, Moalemi Dep. Ex. 42, Nov. 16, 2017 (emphasis added).)

29. In one of the eBay auctions, a wheel with the item number 221087174287 was sold by usarim on August 3, 2012 using the auction title “17 inch amg **Mercedes Benz** wheels rims c clk e ml s sl slk.”. (*Id.* (emphasis added).)

30. In one of the eBay auctions, a wheel with the item number 380949632553 was sold by usarim on July 13, 2014 using the auction title “20 inch Chrome **Mercedes Benz** wheels rims.” (*Id.* (emphasis added).)

31. In one of the eBay auctions, two wheels with the item number 351817595014 were sold by usarim on February 15, 2017 using the auction title “18 x 8 inch Silver **Mercedes Benz** Wheels Hollander 85248.” (*Id.* (emphasis added).)

Amazon Sales

32. Russ Moalemi conducts business as UsaRim through Amazon.com (“Amazon website”). (See Ex. T, Moalemi Dep. 25:4-19, Nov. 16, 2017.) Russ

1 Moalemi's business through the Amazon website accounts for ten percent of his
2 business. (*See* Ex. Q, Moalemi Dep. 27:6-8, Nov. 28, 2016.)

3
4 33. The following automotive wheels have been sold by UsaRim though
5 the Amazon website:

| 6 Manufacturer Part No. | Amazon Standard Identification No. (ASIN) |
|-------------------------|--|
| 7 MBZ-570-19-SLV | B0033Z4CTY |
| 8 MBZ-610-19-CHR | B00362S4OI |
| 9 MBZ-610-20-GMT-TIRES | B007VH364M |
| 10 MBZ-610-18-GMT | B007W615CM |
| 11 MBZ-610-20-GMT | B007W617P2 |
| 12 MBZ-610-20-MB | B00N4820R6 |
| 13 MBZ-610-19-GMT | B01GWAZ466 |
| 14 MBZ-610-20-CHR | B00362OU4Q |
| 15 MBZ-660-19-GMT-TIRES | B007VH376O |
| 16 MBZ-570-18-SLV | B00MH8L14C |
| 17 MBZ-521-19-GMT | B00OAVYMUE |
| 18 MBZ-525-22-BLK | B010VWCUT0 |

19 34. Pictures of the above-listed automotive wheels sold by UsaRim are
20 provided on the webpages of the corresponding Amazon storefront. (*See* Ex. V,
21 printouts from Amazon website ("UsaRim Amazon Pages").)

22 35. UsaRim transacted sales on the Amazon website that used the words
23 "Mercedes Benz." (*See* Ex. T, Moalemi Dep. Ex. 4, Nov. 16, 2017; *see* UsaRim
24 Amazon Pages, pp. 1–46.)

1 36. UsaRim has offered wheels for sale through the Amazon website using
2 the words “Mercedes Benz” in the title since at least 2010. (*See* Ex. T, Moalemi
3 Dep. Ex. 4, Nov. 16, 2017; *see also* UsaRim Amazon Pages, pp. 1–42.)
4

5 37. In one of the offers for sale on the Amazon website, UsaRim offered
6 wheels with the part number MBZ-610-20-CHR under the Amazon Standard
7 Identification Number (“ASIN”) B00362OU4Q, using the title “20 Chrome
8 Mercedes Benz E63 Wheels” since January 26, 2010. (Ex. T, Moalemi Dep. Ex. 4,
9 Nov. 16, 2017 (emphasis added).)
10
11

12 **MBUSA**

13 38. The website www.mbusa.com (“MBUSA website”) is operated by
14 Daimler’s wholly-owned United States subsidiary Mercedes-Benz USA (MBUSA).
15 (*See* Ex. W, Headrick Decl. ¶ 2.)
16

17 39. Through the MBUSA website, shopping tools and links are provided
18 for customers to find service and parts, including wheel packages and authorized
19 parts dealer. (*See, e.g.,* Ex. X, MBUSA website printout, https://www.mbusa.com/mercedes/accessory/title-19_inch_5_twin_spoke_cold_weather_wheel_and_tire_package/model-GLA250W/class-GLA/id-OEMPartNo:BQ8409059 (Dec. 29,
20 2017) (“MBUSA Accessories Page”).)
21
22
23
24

25 **USARIM Website**

26 40. The USARIM website states: “Some of our wholesale partners include
27 . . . Mercedes Benz and Audi factory dealers,” and “We manufacture our wheels in
28

1 several OEM approved factories throughout Asia.” (Ex. Q, Moalemi Dep. Ex. 14,
2 Nov. 28, 2016.)
3

4 41. Russ Moalemi is aware that Defendants are not wholesale partners of
5 Daimler or its wholly-owned subsidiaries, and not original equipment
6 manufacturers of Daimler Wheels. (*See id.* 78:17– 80:20; *see* Ex. Y, Widmayer
7 Decl. ¶ 9.)
8

9 **Defendants’ Part Numbers**

10 42. The MBZ-610 series part numbers are used to identify various wheels
11 sold by the Defendants that have the same appearance. (*See* Ex. T, Moalemi Dep.
12 38:3-7, 40:12 – 42:15, 49:15-21, 73:20 – 74:8, Ex. 4, Nov. 16, 2017; FAC Exs. 29f-
13 i; UsaRim Amazon Pages, pp. 1–4, 5–9, 10-14, 15–19, 43-46, 47-51; Usarim eBay
14 Pages, pp. 1-8, 9-17, 18-25, 26-33.)
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EXHIBIT LIST
PLAINTIFF'S STATEMENT OF MATERIAL FACTS

| <u>Exhibit No.</u> | <u>Description</u> | <u>Pages</u> |
|---------------------------|---|---------------------|
| | | |
| A | Wright D564 Prior Art | 1 – 3 |
| B | Weld D547 Prior Art | 4 – 6 |
| C | Hussaini D618 Prior Art | 7 – 10 |
| D | Yoshida D846 Prior Art | 11 – 17 |
| E | Kohl D876 Prior Art | 18 – 29 |
| F | Heike D689 Prior Art | 30 – 33 |
| G | Maifrini D853 Prior Art | 34 – 36 |
| H | Maifrini D663 Prior Art | 37 – 42 |
| I | Pollmann D770 Prior Art | 43 – 45 |
| J | Gallert D098 Prior Art | 46 – 48 |
| K | Echazabal D003 Prior Art | 49 – 52 |
| L | Elmitt D491 Prior Art | 53 – 55 |
| M | Elmitt D949 Prior Art | 56 – 58 |
| N | Moalemi Defendants' Responses to Plaintiff's First Set of Interrogatories dated July 24, 2017 | 59 – 73 |
| O | Moalemi Defendants' Responses to Plaintiff's First Requests for Production of Documents dated July 24, 2017 | 74 – 88 |

| <u>Exhibit No.</u> | <u>Description</u> | <u>Pages</u> |
|-------------------------------|--|---------------------|
| P | Order No. 24 – In Re: <i>Certain Passenger Vehicle Automotive Wheels</i> , Inv. No. 336-TA-1006 | 88 – 91 |
| Q | Transcript of Deposition of R. Moalemi dated November 28, 2016 with Exhibits | 92 – 130 |
| R | Defendants’ Responses to Plaintiff’s Second Set of Requests for Admission dated December 29, 2017) | 131 – 135 |
| S | Fictitious Business Name Details | 136 – 137 |
| T | Transcript of Deposition of R. Moalemi dated November 16, 2017 with Exhibits | 138 – 204 |
| U | Usarim eBay Pages | 205 – 238 |
| V | Usarim Amazon Pages | 239 – 290 |
| W | Declaration of Dana Headrick dated December 16, 2016 | 291 – 293 |
| X | MBUSA Website printout | 294 – 296 |
| Y | Declaration of Sven-Eric Widmayer dated April 28, 2016 | 297 – 313 |